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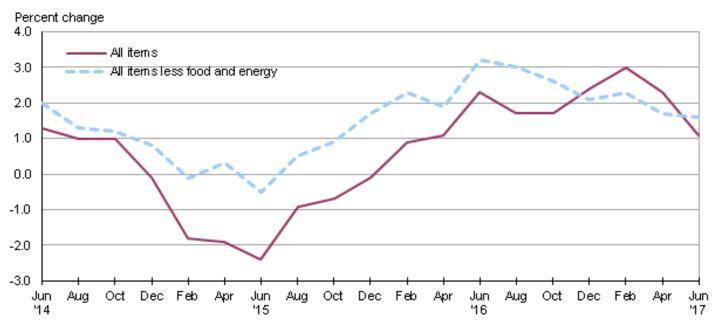
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# Consumer Price Index, Detroit-Ann Arbor-Flint — June 2017 Local prices rose 1.1 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Ann Arbor-Flint area remained unchanged from April to June, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that the energy and food indexes declined 1.7 percent and 0.9 percent, respectively, over the bi-monthly period. The index for all items less food and energy increased 0.4 percent from April to June. Among the indexes within the all items less food and energy category, prices were higher for shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the past 12 months, the Detroit all items CPI-U increased 1.1 percent. (See chart 1 and table A.) The energy index fell 1.2 percent over the year, primarily due to declines in gasoline prices. The index for all items less food and energy rose 1.6 percent over the year. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Detroit, June 2014-June 2017



Source: U.S. Bureau of Labor Statistics.

#### **Food**

Food prices declined 0.9 percent from April to June. Of the two components within the food index, prices for food at home (groceries) fell 1.0 percent and prices for food away from home (restaurant, cafeteria, and vending purchases) fell 0.6 percent.

Over the year, food prices in the Detroit area declined 0.3 percent. Grocery prices fell 1.1 percent, while prices for food away from home rose 0.9 percent from June 2016.

### **Energy**

The energy index for Detroit decreased 1.7 percent from April to June, primarily due to gasoline prices falling 4.2 percent. In contrast, electricity costs and utility (piped) gas service costs rose 1.5 percent and 0.6 percent, respectively.

From June 2016 to June 2017, overall energy prices fell 1.2 percent. Gasoline prices declined 6.2 percent over the year. The utility (piped) gas service index and the electricity index rose by 7.0 percent and 0.9 percent, respectively.

#### All items less food and energy

The index for all items less food and energy increased 0.4 percent from April to June. Among the index's components, prices were higher for shelter (1.7 percent), but lower for recreation (-1.8 percent) and apparel (-2.9 percent).

Over the year, the index for all items less food and energy rose 1.6 percent. Increases in the indexes for shelter (4.7 percent), medical care (4.3 percent), and apparel (6.8 percent) were major contributing factors.

Table A. Detroit CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2013		2014		2015		2016		2017	
	2-month	12- month								
February	1.1	1.9	1.1	0.7	-0.7	-1.8	0.3	0.9	0.9	3.0
April	0.0	1.3	1.3	2.0	1.2	-1.9	1.4	1.1	0.7	2.3
June	1.2	3.3	0.5	1.3	0.0	-2.4	1.2	2.3	0.0	1.1
August	-0.7	1.3	-1.0	1.0	0.6	-0.9	-0.1	1.7		
October	-0.1	0.7	-0.1	1.0	0.1	-0.7	0.2	1.7		
December	-0.7	8.0	-1.8	-0.1	-1.2	-0.1	-0.6	2.4		

The August 2017 Consumer Price Index for Detroit is scheduled to be released on Thursday, September 14, 2017.

## **Consumer Price Index Geographic Revision for 2018**

In January 2018, BLS will introduce a new geographic area sample for the Consumer Price Index (CPI). As part of the new sample, the index for this area will be renamed. The first indexes using the new structure will be published in February 2018. Additional information on the geographic revision is available at: www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm.

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The **Detroit-Ann Arbor-Flint, Mich.** consolidated area covered in this release is comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted)

Item and Group		Indexes		Percent change from-			
	Apr. 2017	May 2017	Jun. 2017	Jun. 2016	Apr. 2017	May 2017	
Expenditure category							
All items	226.484	_	226.525	1.1	0.0		
All items (1967=100)	673.204	_	673.326	-	-		
Food and beverages	223.057	_	221.185	-0.2	-0.8		
Food	222.578	-	220.676	-0.3	-0.9		
Food at home	212.120	210.835	209.914	-1.1	-1.0	-0.4	
Food away from home	239.190	-	237.816	0.9	-0.6		
Alcoholic beverages	223.446	-	222.058	1.5	-0.6		
Housing	211.123	-	214.142	4.4	1.4		
Shelter	240.620	244.880	244.774	4.7	1.7	0.0	
Rent of primary residence(1)	246.463	247.571	247.805	3.5	0.5	0.1	
Owners' equiv. rent of residences(1)(2)	239.164	241.144	241.982	5.3	1.2	0.3	
Owners' equiv. rent of primary residence(1)(2)	239.164	241.144	241.982	5.3	1.2	0.3	
Fuels and utilities	244.703	-	245.937	3.8	0.5		
Household energy	188.896	189.032	190.092	3.4	0.6	0.6	
Energy services(1)	192.355	193.499	194.513	3.2	1.1	0.5	
Electricity(1)	224.262	224.300	227.531	0.9	1.5	1.4	
Utility (piped) gas service(1)	146.377	148.635	147.213	7.0	0.6	-1.0	
Household furnishings and operations	117.825	-	118.368	2.4	0.5		
Apparel	120.266	-	116.800	6.8	-2.9		
Transportation	233.061	-	230.768	-1.7	-1.0		
Private transportation	232.159	-	230.658	-1.3	-0.6		
Motor fuel	225.634	211.718	216.224	-6.1	-4.2	2.1	
Gasoline (all types)	224.446	210.494	215.008	-6.2	-4.2	2.1	
Gasoline, unleaded regular(3)	225.621	210.771	215.696	-6.7	-4.4	2.3	
Gasoline, unleaded midgrade(3)(4)	266.234	252.221	255.866	-4.7	-3.9	1.4	
Gasoline, unleaded premium(3)	237.448	227.679	230.847	-3.4	-2.8	1.4	
Medical care	434.102	-	434.355	4.3	0.1		
Recreation(5)	119.170	-	117.029	-4.2	-1.8		
Education and communication(5)	138.820	-	139.189	-5.6	0.3		
Other goods and services	401.719	-	395.771	-1.7	-1.5		
Commodity and service group							
All items	226.484	_	226.525	1.1	0.0	,	
Commodities	175.227	_	173.142	-0.7	-1.2		
Commodities less food & beverages	150.320	-	148.192	-1.0	-1.4		
Nondurables less food & beverages	183.642	-	178.992	0.1	-2.5		
Durables	112.607	-	112.749	-2.3	0.1		
Services	279.085	-	281.115	2.1	0.7		
Special aggregate indexes							
All items less medical care	218.062	-	218.093	0.8	0.0	,	
All items less shelter	223.977	-	222.425	-0.4	-0.7		
Commodities less food	153.032	-	150.914	-0.9	-1.4		
Nondurables	203.353	-	200.015	-0.1	-1.6		
Nondurables less food	186.309	-	181.828	0.2	-2.4		
Services less rent of shelter(2)	334.186	-	333.700	0.0	-0.1		
Services less medical care services	269.352	-	271.495	2.1	0.8		
Energy	209.256	203.189	205.794	-1.2	-1.7	1.3	
All items less energy	230.967	-	231.374	1.3	0.2		
All items less food and energy	233.073	-	233.902	1.6	0.4		

Note: See footnotes at end of table.

Footnotes(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

- (2) Index is on a December 1982=100 base.
- (3) Special index based on a substantially smaller sample.
  (4) Indexes on a December 1993=100 base.
  (5) Indexes on a December 1997=100 base.

- Data not available.

NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.